



U.S. Department of Justice

United States Trustee, Region 10
Central & Southern Districts of Illinois
Northern & Southern Districts of Indiana

555 One Michiana Square Bldg.
100 East Wayne Street
South Bend, Indiana 46601

574/236-8103
FAX 574/236-8163

Office of the United States Trustee - Region 10
South Bend, Indiana

Monthly Report
for
Debtors-in-Possession and Chapter 11 Trustees

Each month all Chapter 11 debtors must file two copies of this report with the Bankruptcy Clerk. The report must be filed with the attached reports identified below, ready for distribution to the U.S. Trustee no later than the 15th day of the month following the end of the calendar month covered by this report.

Debtor Name: New Schoonbeek Dairy LLC For the month ended: June 2010

Case Number: 09-34327 Date Bankruptcy filed: Sept 8 - 2009

Required Documents:	Attached	Previously Submitted
1. Monthly Income Statement (P&L)	<u>X</u>	_____
2. Monthly Cash Flow Report (CF; 3 pages)	<u>X</u>	_____
3. Statement of Operations	<u>X</u>	_____
4. Other reports/documents as required by the U.S. Trustee	<u>X</u>	_____

The undersigned certifies under penalty of perjury that the information contained in this and accompanying reports is complete, true and correct to the best of my knowledge, information, and belief.

By Harry Behel Dated: 7/16/2010

Owner (Title) Debtor's telephone number 260-571-3940

Reports prepared by: Laura / Harry accountant Nietzke & Tappel
(Name) (Title)
Owner



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Office of the United States Trustee - Region 10
South Bend, Indiana

Statement of Operations
for the Month ended June 30, 2010

Debtor Name: New Schoonebaek Dairy, LLC

Case Number: 09-34327

1. What efforts have been made toward the presentation of a plan to creditors?
make updated budget with plan is finalized + presented.
2. Has the Debtor in possession made any payments on the pre-petition unsecured debt since the filing of the bankruptcy?
X NO

 YES; If yes, then identify to whom the payment was made, the date paid, and the amount(s).

3. Provide a brief narrative covering any significant events which occurred this past month.

4. List the face value of accounts receivable as of the date that the bankruptcy was filed: \$
What amount of these receivables is considered uncollectible? \$.

5. If assets have been sold this month in other than the ordinary course of business, provide the following information:

- a. assets(s) sold
- b. date of sale
- c. sales price
- d. net amount received

6. List payments made to principals, executives, or insiders (this includes draws or cash withdrawals by individuals or partners, dividends, lease payments on property owned by insider, loans, gross salaries, etc.)

Payee Name	Position	Amount	Explanation

7. Schedule of insurance coverage.

Type of Policy	Expiration Date
Same from last month.	Same

Has any insurance coverage either been reduced or allowed to lapse during this month? If so, explain what changes have taken place.

No.

If any insurance coverage will expire within 60 days from this report, explain what steps are being taken to renew existing policies or to acquire new insurance coverage. Provide the United States Trustee with a new certificate.

8. Schedule of changes in personnel.

	Full Time	Part Time
a. Total number of employees at beginning of this period.	20	2
b. Number hired during this period.	4	—
c. Number terminated or resigned.	4	—
d. Total number of employees on payroll at the end of this period.	19	2

Oprept REV. September 3, 1992

OFFICE OF THE U.S. TRUSTEE - REGION 10

MONTHLY CASH FLOW REPORT

for the month ended June, 2010STATUS OF TAXES

	BEGINNING *TAX LIABILITY	AMOUNT WITHHELD OR ACCURED	AMOUNT PAID	ENDING TAX LIABILITY
FEDERAL				
**withholding	<u>104.00</u>	<u>129.00</u>	<u>175.00</u>	<u>58.00</u>
**FICA-employee	<u>1715.11</u>	<u>3,280.98</u>	<u>3,382.24</u>	<u>1013.85</u>
**FICA-employer	<u>1715.11</u>	<u>3,280.98</u>	<u>3,382.24</u>	<u>1013.85</u>
unemployment				
income				
other - list				
a. Subtotal	<u>3534.22</u>	<u>10,090.96</u>	<u>10,344.48</u>	<u>3205.70</u>

STATE AND LOCAL

withholding	<u>10239.01</u>	<u>2563.12</u>	<u>3677.83</u>	<u>5124.96</u>
sales				
excise				
unemployment				
other				
real property				
personal property				
other - list				
b. Subtotal	<u>10239.01</u>	<u>2563.12</u>	<u>3677.83</u>	<u>5124.96</u>

TOTAL TAXES PAID - from a. & b. above

(this sum is to be listed on page 1, as tax payments)

10,617.31

Explain the reason for any past due post-petition taxes:

*the beginning tax liability should represent the liability from the prior month or, if this is the first operating report, this should be zero

** Attach photocopies of IRS Form 6123 of your FTD coupon and payment receipt to verify payments or deposits.

OFFICE OF THE U.S. TRUSTEE - REGION 10

MONTHLY CASH FLOW REPORT

for the month ended June 2010

Debtor Name

New Schoonebeek Dairy, LLC

Case Number

Reconciled bank balance and cash on hand from last month
(If this is the first report, insert the cash balance as of the
petition date.)75,479CASH RECEIPTS

from cash sales/receipts 519,204
 from collection of pre-petition receivables _____
 from collection of post-petition receivables _____
 from loans _____
 from contributions to capital or from gifts 9,000
 other receipts (itemize on a separate sheet) _____
**TOTAL RECEIPTS (Do not include beginning
bank balance)** 528,204

CASH DISBURSEMENTS

inventory purchases 49,050
 net payments to officers/owners 5,000
 net payments to other employees 104,015
 rent payments _____
 lease payments 41,087
 mortgage or note payments 20,007
 adequate protection payments _____
 insurance 5,075
 utilities/telephone 9,474
 tax payments 10,107
 supplies 7,364
 outside labor _____
 travel/entertainment _____
 payments to attorneys _____
 payments to accountants _____
 payments to other professionals 2,850
 U.S. Trustee Quarterly Fee _____
 other expenses (itemize on separate sheet) 402,628
TOTAL DISBURSEMENTS

NET CASH FLOW (Total Receipts minus Total Disbursements)Bank Balance and cash on hand at the end of the month
(beginning balance + cash receipts - cash disbursements)* This figure is the actual cash paid, i.e. gross payroll
less taxes withheld

** This figure comes from page 2 of this form

*** Attach a copy of the court order authorizing such payments

1022,167
(93,963)
(18,484)

New Schoonebeek Dairy, LLC
Monthly Cash Flow Report - Detail of Other Expenses

<u>Other Expenses:</u>	<u>June</u>
Animal health	47,786
Bank charges	1,241
Bedding	4,318
Breeding	2,200
Custom hire	-
Feed	288,525
Fuel	10,856
Milk hauling	8,898
Interest	11,032
Marketing	12,895
Misc	59
Repairs	15,018
Other taxes	-
	<u>\$ 402,628</u>

OFFICE OF THE U.S. TRUSTEE - REGION 10

MONTHLY INCOME STATEMENT

As of June 2010

Debtor Name

New Schonnebeck Dairy, LLC

Case Number

INCOMECURRENT
MONTHYEAR TO
DATEGross Receipts or Sales
less: returns or allowances519,2043,436,841Cost of Goods

Beginning Inventory

Purchases

Other Costs (list)

less: ending inventory

Cost of Goods Sold

Gross Profit

Interest

Rents

Gain (Loss) from sale of property

Other Income

Total Income

519,2043,436,841GENERAL AND ADMINISTRATIVE EXPENSES

Compensation of Officers

Salaries & Wages

Repairs & Maintenance

Supplies

Bad Debts

Rents

Payroll Taxes

Other Taxes

Interest Expense

Depreciation

Insurance

Travel & Entertainment

Utilities & Telephone

Professional & Legal

Other Expenses (Attach Schedule)

Total Expenses

Net Profit (Loss)

78,26915,0187,36441,08711,052105,50050759,4732,860376,578652,246(1,330,421)415,37978,02638,148730,90612,114106,845683,00027,94348,14635,2592,031,0393,612,455(1,756,014)

New Schoonebeek Dairy, LLC
Monthly Income Statement - Detail of Other Expenses

<u>Other Expenses:</u>	<u>June</u>	<u>YTD</u>
Animal Health	47,786	279,758
Bank charges	1,241	7,898
Bedding	4,318	37,089
Breeding	2,200	25,204
Custom Hire	-	20,685
Feed	288,525	1,455,444
Fuel	10,656	78,188
Milk Hauling	8,898	51,082
Marketing	12,895	75,482
Misc	59	819
	<u>\$ 378,578</u>	<u>\$ 2,031,639</u>

NEW SCHOONEBEEK DAIRY, LLC

SCHEDULE OF INCOME AND EXPENSES
PER CWT OF MILK PRODUCED AND PER COW PER DAY

NEW SCHOONEBEEK DAIRY, LLC
FOR THE ONE MONTH ENDED
APRIL 30, 2010

Quantity of milk in cwt
Average number of cows milked per day
Periods of milk per cow per day
Number of cull cows
Annualized herd turnover rate
Average cows on farm for the period
Number of days in period
Break-even milk price
Break-even milk production per cow per day

NEW SCHOONEBEEK DAIRY, LLC
FOR THE ONE MONTH ENDED
MAY 31, 2010

NEW SCHOONEBEEK DAIRY, LLC
FOR THE ONE MONTH ENDED
JUNE 30, 2010

REVENUE FROM OPERATIONS:	AMOUNT	PER CWT PRODUCED	PER COW PER DAY
Milk	\$ 502,589	\$ 15.79	\$ 0.52
Livestock revenue	13,925	0.43	0.26
Cull cow revenue	11,577	0.35	0.22
Other income	29,250	0.92	0.55
TOTAL REVENUE FROM OPERATIONS	\$562,341	17.50	10.55

OPERATING COSTS AND EXPENSES:

Amortization	500	0.02	0.01
Animal health	43,193	1.36	0.72
Bank charges	711	0.02	0.04
Bedding	5,810	0.18	0.11
Breeding	5,780	0.18	0.11
Cull cow expense	18,957	0.59	0.36
Custom hire	10,000	0.34	0.34
Depreciation	253,622	7.97	4.61
Feed	12,198	0.38	0.23
Fuel	782	0.24	0.17
Hauling - milk	12,083	0.38	0.23
Insurance	14,305	0.45	0.27
Interest	67,045	2.11	1.27
Wages, contract labor, benefits & taxes	9,548	0.30	0.18
Marketing	60	-	-
Miscellaneous	2,750	0.09	0.06
Professional fees	13,277	0.42	0.26
Repairs & maintenance	40,968	1.28	0.76
Rent	4,997	0.15	0.09
Supplies	-	-	-
Taxes	8,759	0.27	0.17
Utilities	540,322	16.89	10.24
TOTAL OPERATING COSTS AND EXPENSES	\$1,816,110	\$ 5.51	\$ 3.31
INCOME (LOSS) FROM OPERATIONS	\$ (1,253,769)	\$ (3.01)	\$ (2.76)

(Continued)

NEW SCHOONEBEEK DAIRY, LLC

FINANCIAL INFORMATION

JUNE 30, 2010

Preliminary

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Preliminary

NEW SCHOONEBEEK DAIRY, LLC**BALANCE SHEET
JUNE 30, 2010****ASSETS****CURRENT ASSETS:**

Commodity receivables	\$ 140,378
Other receivables	34,049
Inventory	83,482
Prepaid	4,000
TOTAL CURRENT ASSETS	<u>261,909</u>

PROPERTY AND EQUIPMENT - AT COST:

Leasehold improvements	160,843
Buildings	13,495
Machinery and equipment	1,110,872
Dairy livestock	2,941,470
TOTAL PROPERTY AND EQUIPMENT - AT COST	4,226,680
Accumulated depreciation	(722,930)
TOTAL PROPERTY AND EQUIPMENT - AT COST	<u>3,503,750</u>

OTHER ASSETS:

Investments in cooperatives - net of reserve	211,515
Loan fees - net of amortization	2,356
TOTAL OTHER ASSETS	<u>213,871</u>
TOTAL ASSETS	<u>\$ 3,979,530</u>

(Continued)

NEW SCHOONEBEEK DAIRY, LLC**BALANCE SHEET
JUNE 30, 2010****LIABILITIES AND MEMBER'S EQUITY (DEFICIT)****LIABILITIES NOT SUBJECT TO COMPROMISE****Current liabilities**

Bank float	\$ 18,483
Accounts payable	122,044
Accrued payroll taxes and wages	23,493
Notes payable - Rabo AgriFinance	2,686,834
Current portion of deferred revenue	<u>98,058</u>

TOTAL LIABILITIES NOT SUBJECT TO COMPROMISE2,928,912**LIABILITIES SUBJECT TO COMPROMISE****Current liabilities**

Accounts payable	434,632
Forage payable	690,981
Accrued interest	54,956
Accrued expenses	<u>912,500</u>

Total current liabilities2,093,069**Subordinated debt**554,478**TOTAL LIABILITIES SUBJECT TO COMPROMISE**2,647,547**TOTAL LIABILITIES**5,576,459**MEMBER'S EQUITY (DEFICIT)**(1,596,929)**TOTAL LIABILITIES AND MEMBER'S EQUITY (DEFICIT)**\$ 3,979,530

See Accountant's Compilation Report.

NEW SCHOONEBEEK DAIRY, LLC**STATEMENTS OF INCOME**

	ONE MONTH ENDED JUNE 30, 2010	SIX MONTHS ENDED JUNE 30, 2010
REVENUE FROM OPERATIONS:		
Milk	\$ 504,217	\$ 3,088,167
Livestock revenue	7,172	44,091
Cull cow revenue	11,247	95,848
Other income	29,644	176,388
TOTAL REVENUE FROM OPERATIONS	<u>552,280</u>	<u>3,384,494</u>
OPERATING COSTS AND EXPENSES:		
Amortization	500	3,000
Animal health	45,936	273,401
Bank charges	1,241	7,898
Bedding	4,926	36,358
Breeding	3,515	26,716
Cull cow expense	61,442	354,423
Custom hire	-	21,808
Depreciation	18,000	108,000
Feed	255,178	1,599,653
Fuel	10,656	78,187
Hauling and trucking	8,075	50,371
Insurance	3,076	23,844
Interest	14,787	87,825
Wages, contract labor, benefits and taxes	67,453	400,519
Marketing	8,852	55,488
Miscellaneous	59	819
Professional fees	1,925	14,074
Repairs and maintenance	13,156	71,059
Rent	41,087	264,897
Supplies	6,658	38,628
Taxes	1,500	3,614
Utilities	10,321	49,086
TOTAL OPERATING COSTS AND EXPENSES	<u>578,840</u>	<u>3,569,088</u>
INCOME (LOSS) FROM OPERATIONS	<u>(26,560)</u>	<u>(184,574)</u>
OTHER INCOME (EXPENSE):		
Legal and accounting fees		(20,260)
Gain on sale - leaseback	9,000	54,000
TOTAL OTHER INCOME (EXPENSE)	<u>9,000</u>	<u>33,740</u>
NET INCOME (LOSS)	<u>\$ (17,560)</u>	<u>\$ (150,834)</u>

See Accountant's Compilation Report.

NEW SCHOONEBEEK DAIRY, LLC**STATEMENT OF CHANGES IN MEMBER'S EQUITY (DEFICIT)
FOR THE SIX MONTHS ENDED JUNE 30, 2010**

MEMBER'S EQUITY (DEFICIT), BEGINNING OF THE PERIOD	\$ (1,424,998)
Net income (loss)	(150,834)
Member's withdrawals	(21,097)
MEMBER'S EQUITY (DEFICIT), END OF THE PERIOD	<u>\$ (1,596,929)</u>

Preliminary

SUPPLEMENTARY INFORMATION

Preliminary

NEW SCHOONBEEK DAIRY, LLC**SCHEDULE OF FEED INVENTORY
FOR THE ONE MONTH ENDED JUNE 30, 2010**

	<u>Balance at</u> <u>5/31/2010</u>	<u>Feed</u> <u>Delivered</u>	<u>Feed</u> <u>Used</u>	<u>Shrink</u>	<u>Balance at</u> <u>6/30/2010</u>
Corn Silage 2008					
Tons	2,750	-	825	41	1,884
Amount/ton	\$ 44.31	\$ -	\$ 44.31	\$ 44.31	\$ 44.31
Total Dollars	\$ 121,850	\$ -	\$ 36,557	\$ 1,817	\$ 83,482

Summary of Forages Used:

Corn Silage

<u>Used</u>	<u>Shrink</u>	<u>Total</u>
\$ 36,557	\$ 1,817	\$ 38,374
\$ 36,557	\$ 1,817	\$ 38,374

Preliminary

See Accountant's Compilation Report.

NEW SCHONEEBEEK DAIRY, LLC

SCHEDULE OF FEED EXPENSE
FOR THE MONTHS AND SIX MONTHS ENDED JUNE 30, 2010

Forages Used:	1/31/2010	2/28/2010	3/31/2010	4/30/2010	5/31/2010	6/30/2010	YEAR TO DATE
Haylage	\$ 31,493	\$ 26,814	\$ 21,387	\$ 9,530	\$ -	\$ 38,374	\$ 127,598
Total Forages Used	31,493	26,814	21,387	9,530	-	38,374	127,598
Other Feed Purchased:	(218)						(218)
Cargill Animal Nutrition Inc.	11,579	28,373	16,749	29,583	54,384	46,259	186,907
Fleck Farms	13,710	32,983	8,651	2,207	9,500	19,680	104,123
Sanimax Marketing	157,534	109,756	149,493	33,139	149,574	119,730	819,229
Synergy Feeds	42,161	41,016	41,008	40,693	34,989	-	200,167
Pleasant Home Farm	34,277	23,171	28,800	20,474	14,800	31,095	161,847
Zeeland Farm Services Inc.	259,043	235,779	258,653	244,099	263,177	216,804	1,472,055
Total Other Feed Purchased	290,536	282,053	275,040	253,629	263,177	255,178	1,599,653
Total Feed Expense	\$ 311,029	\$ 258,867	\$ 226,427	\$ 263,159	\$ 263,177	\$ 293,552	\$ 1,727,251

Per Cow Info:							
Average Dairy Cows on the Farm	1,759	1,756	1,757	1,759	1,710	1,705	1,741
Days in Month	31	28	31	30	31	30	181
Estimated Feed per Cow per Day	\$ 5.33	\$ 5.33	\$ 5.05	\$ 4.81	\$ 4.96	\$ 4.99	\$ 5.06

NEW SCHOONEBEEK DAIRY, LLC

SCHEDULE OF DAIRY LIVESTOCK
FOR THE MONTHS AND THE SIX MONTHS ENDED JUNE 30, 2010

	Beginning Balance	Purchases	Sub Total	Sales	Died	Total Cull Cows	Ending Balance
January							
Number of cows	1,661	24	1,685	(20)	(8)	(28)	1,657
Average cost	\$ 1,863	\$ 1,400	\$ 1,856	\$ 1,880	\$ 1,880	\$ 1,880	\$ 1,856
Dollar amount	\$ 3,094,443	\$ 33,600	\$ 3,128,043	\$ (37,600)	\$ (15,051)	\$ (52,651)	\$ 3,075,392
February							
Number of cows	1,657	24	1,681	(18)	(7)	(25)	1,656
Average cost	\$ 1,856	\$ 1,450	\$ 1,850	\$ 1,797	\$ 1,797	\$ 1,797	\$ 1,851
Dollar amount	\$ 3,075,392	\$ 34,800	\$ 3,110,192	\$ (32,346)	\$ (12,590)	\$ (44,936)	\$ 3,065,256
March							
Number of cows	1,656	24	1,680	(20)	(3)	(23)	1,657
Average cost	\$ 1,851	\$ 1,400	\$ 1,845	\$ 1,597	\$ 1,597	\$ 1,597	\$ 1,848
Dollar amount	\$ 3,065,256	\$ 33,600	\$ 3,098,856	\$ (30,940)	\$ (4,780)	\$ (36,720)	\$ 3,062,136
April							
Number of cows	1,657	24	1,681	(10)	-	(10)	1,661
Average cost	\$ 1,848	\$ 1,400	\$ 1,844	\$ 1,885	\$ 1,885	\$ 1,885	\$ 1,844
Dollar amount	\$ 3,062,136	\$ 19,200	\$ 3,081,336	\$ (18,850)	\$ (2)	\$ (18,852)	\$ 3,062,884
May							
Number of cows	1,661	11	1,672	(41)	(32)	(73)	1,599
Average cost	\$ 1,844	\$ 1,400	\$ 1,841	\$ 1,909	\$ 1,909	\$ 1,909	\$ 1,838
Dollar amount	\$ 3,062,884	\$ 15,400	\$ 3,078,284	\$ (78,269)	\$ (61,053)	\$ (139,322)	\$ 2,938,962
June							
Number of cows	1,599	46	1,645	(18)	(17)	(35)	1,610
Average cost	\$ 1,838	\$ 1,401	\$ 1,826	\$ 1,770	\$ 1,770	\$ 1,770	\$ 1,827
Dollar amount	\$ 2,938,962	\$ 64,450	\$ 3,003,412	\$ (31,860)	\$ (30,082)	\$ (61,942)	\$ 2,941,470
Year to Date							
Number of cows	1,661	143	1,804	(127)	(67)	(194)	1,610
Average cost	\$ 1,863	\$ 1,409	\$ 1,827	\$ 1,827	\$ 1,827	\$ 1,827	\$ 1,827
Dollar amount	\$ 3,094,443	\$ 201,450	\$ 3,295,893	\$ (230,865)	\$ (123,558)	\$ (354,423)	\$ 2,941,470

See Accountant's Compilation Report.

NEW SCHOONBEEK DAIRY, LLC

SCHEDULE OF INCOME AND EXPENSES

PER CWT OF MILK PRODUCED AND PER COW PER DAY

NEW SCHOONBEEK DAIRY, LLC
FOR THE ONE MONTH ENDED
JANUARY 31, 2010
30,512

NEW SCHOONBEEK DAIRY, LLC
FOR THE ONE MONTH ENDED
FEBRUARY 28, 2010
28,753

NEW SCHOONBEEK DAIRY, LLC
FOR THE ONE MONTH ENDED
MARCH 31, 2010
32,130

Quantity of milk in cwt
Average number of cows milked per day
Pounds of milk per cow per day
Number of cull cows
Annualized herd turnover rate
Average cows on farm for the period
Number of days in period
Break-even milk price
Break-even milk production per cow per day

	AMOUNT	PER CWT PRODUCED	PER COW PER DAY	AMOUNT	PER CWT PRODUCED	PER COW PER DAY	AMOUNT	PER CWT PRODUCED	PER COW PER DAY
REVENUE FROM OPERATIONS:									
Milk	\$ 514,203	\$ 16.85	\$ 0.43	\$ 504,878	\$ 17.58	\$ 0.47	\$ 583,282	\$ 18.16	\$ 0.57
Livestock revenue	19,916	0.65	0.37	10,452	0.35	0.21	949	0.13	0.07
Cull cow revenue	28,000	0.92	0.51	9,693	0.34	0.08	865	0.49	0.29
Other income	582,118	18.42	10.31	29,430	1.02	0.50	3,558	0.95	0.59
TOTAL REVENUE FROM OPERATIONS									

OPERATING COSTS AND EXPENSES:

Amortization	500	0.02	0.01	500	0.02	0.01	500	0.02	0.01
Animal health	45,485	1.48	0.05	3,624	1.17	0.08	54,285	1.69	1.00
Bank charges	1,831	0.06	0.03	1,874	0.06	0.03	1,338	0.05	0.05
Bedding	5,378	0.21	0.12	5,844	0.20	0.11	5,887	0.18	0.10
Breeding	4,800	0.16	0.09	5,000	0.17	0.10	3,280	0.10	0.06
Cull cow expense	52,651	1.73	0.17	44,938	1.56	0.31	36,720	1.14	0.67
Custom hire	5,938	0.19	0.11	13,373	0.47	0.27	2,300	0.07	0.04
Depreciation	18,000	0.59	0.33	18,000	0.63	0.37	18,000	0.58	0.33
Feed	18,538	0.62	0.33	262,953	9.12	5.33	275,040	8.58	5.05
Fuel	19,205	0.63	0.28	19,885	0.69	0.40	8,628	0.27	0.15
Hauling - milk	8,377	0.27	0.15	7,892	0.27	0.16	9,897	0.27	0.18
Insurance	-	-	-	5,398	0.19	0.11	146	-	-
Interest	15,278	0.50	0.28	13,728	0.48	0.28	14,911	0.46	0.27
Wages, contract labor, benefits & taxes	73,292	2.40	1.34	65,513	2.28	1.33	59,215	1.84	1.09
Marketing	9,154	0.30	0.17	8,428	0.30	0.18	9,839	0.30	0.18
Miscellaneous	25	-	-	157	0.01	-	233	0.01	-
Professional fees	1,750	0.06	0.03	1,895	0.06	0.03	3,572	0.12	0.07
Repairs & maintenance	19,088	0.62	0.35	8,725	0.30	0.18	6,036	0.22	0.13
Rent	51,014	1.67	0.94	56,526	1.79	1.03	40,907	1.27	0.75
Supplies	5,698	0.19	0.10	7,551	0.26	0.15	4,963	0.15	0.09
Taxes	-	-	-	25	-	-	885	0.02	0.01
Utilities	5,790	0.19	0.11	7,279	0.25	0.15	7,192	0.22	0.13
TOTAL OPERATING COSTS AND EXPENSES	630,408	20.85	11.57	581,247	20.23	11.61	563,314	17.52	10.33
INCOME (LOSS) FROM OPERATIONS	\$ (86,250)	\$ (2.23)	\$ (1.26)	\$ (26,758)	\$ (0.95)	\$ (0.53)	\$ (19,958)	\$ (0.64)	\$ (0.37)

(Continued)

NEW SCHOONEBEEK DAIRY, LLC

SCHEDULE OF INCOME AND EXPENSES

PER CWT OF MILK PRODUCED AND PER COW PER DAY

NEW SCHOONEBEEK DAIRY, LLC
FOR THE ONE MONTH ENDED
JUNE 30, 2010NEW SCHOONEBEEK DAIRY, LLC
FOR THE ONE MONTH ENDED
MAY 31, 2010NEW SCHOONEBEEK DAIRY, LLC
FOR THE ONE MONTH ENDED
APRIL 30, 2010

Quantity of milk in cwt
Average number of cows utilized per day
Pounds of milk per cow per day
Number of full cows
Annualized herd turnover rate
Average cows on farm for the period
Number of days in period
Breakdown milk price
Breakdown milk production per cow per day

	AMOUNT	PER CWT PRODUCED	PER COW PER DAY	AMOUNT	PER CWT PRODUCED	PER COW PER DAY	AMOUNT	PER CWT PRODUCED	PER COW PER DAY
REVENUE FROM OPERATIONS:									
Milk	\$ 582,560	\$ 15.79	\$ 9.52	\$ 509,362	\$ 15.88	\$ 9.61	\$ 504,217	\$ 17.09	\$ 9.86
Livestock revenue	13,525	0.43	0.26	8,677	0.25	0.17	7,172	0.24	0.14
Cull cow revenue	11,577	0.36	0.22	27,760	0.80	0.52	11,247	0.36	0.22
Other income	28,250	0.82	0.53	29,427	0.81	0.58	23,844	0.80	0.58
TOTAL REVENUE FROM OPERATIONS	643,912	17.30	10.55	575,126	16.95	10.86	527,280	18.71	10.80

OPERATING COSTS AND EXPENSES:

Amortization	500	0.02	0.01	500	0.02	0.01	500	0.02	0.01
Animal health	43,163	1.36	0.82	56,335	1.58	0.86	45,038	1.56	0.80
Bank charges	711	0.02	0.01	1,533	0.04	0.02	1,241	0.04	0.02
Bedding	5,810	0.18	0.11	7,883	0.25	0.15	4,928	0.17	0.10
Breeding	5,780	0.18	0.11	4,264	0.13	0.08	3,512	0.12	0.07
Cull cow expenses	18,867	0.59	0.36	139,322	4.32	2.63	81,942	2.10	1.21
Custom hire	18,000	0.56	0.34	18,000	0.56	0.34	18,000	0.61	0.35
Depreciation	263,177	8.15	4.86	263,177	8.15	4.86	263,178	8.55	4.99
Feed	12,108	0.38	0.23	12,017	0.37	0.23	10,499	0.36	0.21
Fuel	782	0.28	0.17	8,886	0.26	0.17	8,075	0.27	0.16
Hauling - milk	12,103	0.38	0.23	2,941	0.09	0.06	3,078	0.10	0.06
Insurance	14,305	0.45	0.27	14,516	0.45	0.28	14,767	0.50	0.29
Interest	67,045	2.11	1.27	68,001	2.11	1.29	67,439	2.29	1.32
Wages, contract labor, benefits & taxes	8,546	0.30	0.16	9,671	0.30	0.18	8,862	0.30	0.17
Mortgaging	80	-	-	285	0.01	0.01	59	-	-
Miscellaneous	2,750	0.08	0.05	1,982	0.06	0.04	1,925	0.07	0.04
Professional fees	13,277	0.42	0.25	9,887	0.31	0.19	13,156	0.46	0.26
Repairs & maintenance	40,066	1.25	0.78	41,297	1.26	0.79	41,967	1.39	0.80
Rent	4,987	0.16	0.09	8,773	0.27	0.17	6,558	0.23	0.13
Supplies	8,750	0.27	0.17	1,424	0.04	0.03	1,509	0.05	0.03
Taxes	543,302	16.99	10.24	674,967	20.83	12.73	579,640	19.63	11.32
Utilities	15,610	0.51	0.31	18,506	0.50	0.31	10,321	0.35	0.20
TOTAL OPERATING COSTS AND EXPENSES	1,000,000	29.80	17.40	1,000,000	29.80	17.40	1,000,000	29.80	17.40
INCOME (LOSS) FROM OPERATIONS	\$ 15,610	\$ 0.51	\$ 0.31	\$ 15,610	\$ 0.51	\$ 0.31	\$ 15,610	\$ 0.51	\$ 0.31

(Continued)

NEW SCHOONEBEEK DAIRY, LLC

SCHEDULE OF INCOME AND EXPENSES
PER CWT OF MILK PRODUCED AND PER COW PER DAY

NEW SCHOONEBEEK DAIRY, LLC
FOR THE SIX MONTHS ENDED
JUNE 30, 2010

NETZKE & FAUPEL, PC

DAIRY AVERAGES - THREE MONTHS ENDED

MARCH 31, 2010

Quantity of Milk in CWT
Average Number of Cows Milked Per Day
Pounds of Milk Per Cow Per Day
Number of Calf Cows
Annualized Herd Turnover Rate
Average Cows on Farm for the Period
Number of Days in Period
Break-even Milk Price
Break-even Milk Production Per Cow Per Day

184,850
1,442
71
194
22.47%
1,741
181
\$ 17.38
75

110,824
1,006
73
180
35.07%
2,024
90
\$ 16.32
71

REVENUE FROM OPERATIONS:	AMOUNT	PER CWT PRODUCED	PER COW PER DAY	AMOUNT PRODUCED	PER COW PER DAY
Milk	\$ 3,008,187	\$ 18.59	\$ 9.74	\$ 1,818,921	\$ 10.10
Livestock revenue	44,091	0.24	0.14	5,007	0.28
Calf cow revenue	95,848	0.52	0.30	11,109	0.45
Other income	176,388	0.99	0.58	20,073	0.21
TOTAL REVENUE FROM OPERATIONS	3,304,494	19.34	10.76	1,855,110	11.04

OPERATING COSTS AND EXPENSES:

Amortization	3,000	0.01	0.01	2,769	0.03	0.02
Animal health	273,400	1.44	0.87	60,716	0.55	0.33
Bank charges	7,800	0.04	0.03	1,474	0.01	0.01
Bedding	2,350	0.01	0.02	10,759	0.15	0.09
Breeding	2,016	0.01	0.08	12,058	0.11	0.07
Calf cow expenses	54,700	0.29	1.12	518,348	2.89	1.75
Quelam hire	17,000	0.09	0.07	28,428	0.26	0.18
Depreciation	180,000	0.98	0.34	123,337	1.12	0.68
Feed	1,599,853	8.85	5.08	859,238	7.63	4.61
Fuel	78,187	0.42	0.25	30,734	0.28	0.17
Hauling - milk	50,371	0.27	0.15	27,728	0.25	0.15
Insurance	23,644	0.13	0.08	14,148	0.13	0.08
Interest	67,625	0.36	0.28	140,171	1.00	0.60
Wages, contract labor, benefits & taxes	400,519	2.17	1.27	171,864	1.56	0.94
Mortgaging	55,488	0.30	0.18	28,551	0.26	0.16
Miscellaneous	878	0.00	-	2,991	0.03	0.02
Professional fees	14,074	0.08	0.04	14,141	0.13	0.08
Repairs & maintenance	71,069	0.38	0.23	36,827	0.34	0.20
Rent	264,867	1.43	0.84	40,757	0.37	0.22
Supplies	38,528	0.21	0.12	51,627	0.47	0.28
Taxes	3,614	0.02	0.01	7,263	0.07	0.04
Utilities	49,065	0.27	0.16	28,579	0.24	0.15
TOTAL OPERATING COSTS AND EXPENSES	3,599,088	19.30	11.34	1,968,442	17.68	10.81
INCOME (LOSS) FROM OPERATIONS	\$ (184,574)	\$ (1.00)	\$ (0.60)	\$ 43,047	\$ 0.38	\$ 0.23

See Accountant's Compilation Report.

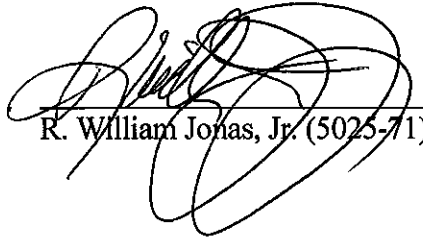
Certificate of Service

The undersigned hereby certifies that a true and correct copy of the foregoing document was sent to:

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by first-class mail, postage fully prepaid on this the 20th day of July, 2010.



R. William Jonas, Jr. (5025-71)